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FOR RELEASE
DEC. 26, A. M.

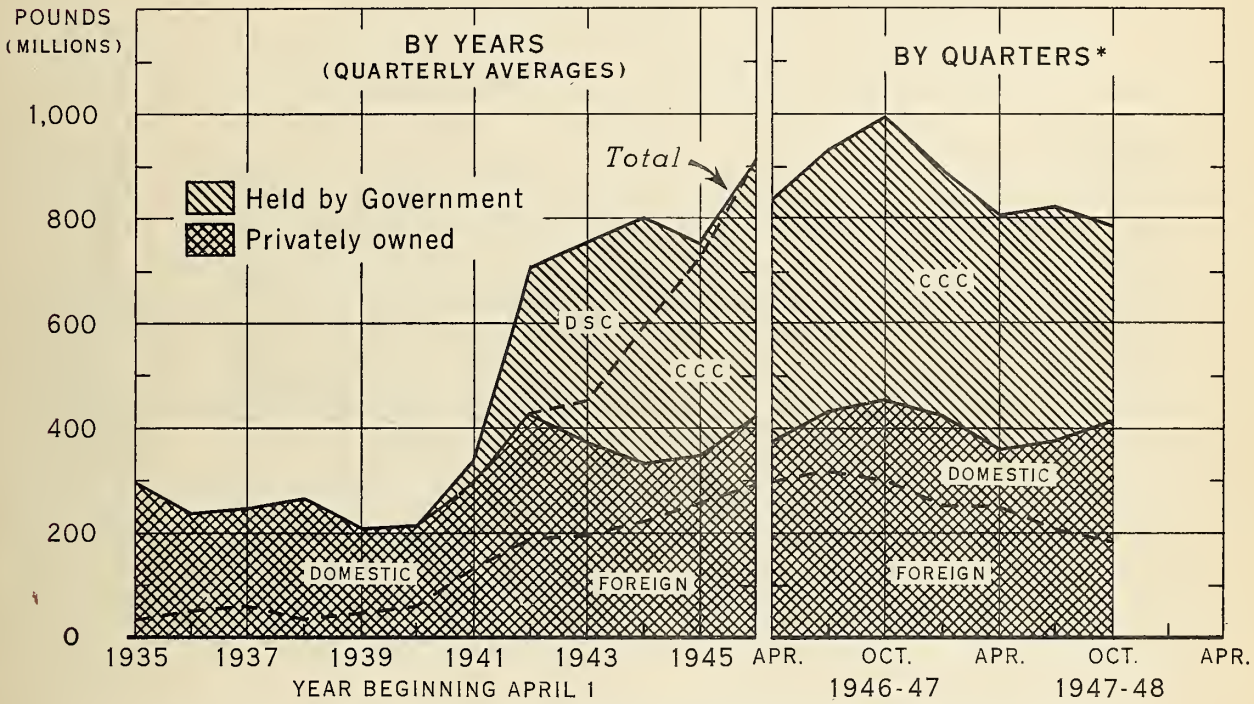
# THE Wool SITUATION

BUREAU OF AGRICULTURAL ECONOMICS
UNITED STATES DEPARTMENT OF AGRICULTURE

TWS-4 BAE DECEMBER 1947

In this issue:
Review of CCC Wool Purchase Program, 1943-47

## STOCKS OF APPAREL WOOL HELD BY UNITED STATES MILLS AND DEALERS, AND BY THE GOVERNMENT, 1935-46, AND BY QUARTERS, 1946-47




*BASED ON DATA FROM THE BUREAU OF THE CENSUS, COMMODITY CREDIT CORPORATION AND DEFENSE SUPPLIES CORPORATION*

**STOCKS AT BEGINNING OF QUARTER*

U. S. DEPARTMENT OF AGRICULTURE NEG. 46602 BUREAU OF AGRICULTURAL ECONOMICS

Apparel wool stocks held by United States Mills and Dealers and by the Government have declined about 20 percent since the third quarter of 1946 when they were a record 996 million pounds, grease basis. On September 27 this year mills and dealers stocks were enough to supply mill requirements for 5.1 months at the 1947 average rate of consumption. This was about the same as the average for 1935-39, Government stocks, in total were equivalent to an additional 4½ months supply.

While total stocks are much larger than the 1935-39 average they are not excessive in relation to the present high rate of mill consumption. Mills and dealers are not likely to reduce their stocks much while consumption continues large, but CCC stocks probably will continue to decline.

DECEMBER 1947

STATISTICAL SUMMARY

PRICES

| Item | Unit | 1946 Aug. | 1946 Sept | 1946 Oct. | 1946 Nov. | 1947 Aug. | 1947 Sept. | 1947 Oct. | 1947 Nov. 1/ | Last data available as percent of a year earlier |
|---|---|---|---|---|---|---|---|---|---|---|
| Price received by farmers | Cents | 42.5 | 42.1 | 41.5 | 41.4 | 40.0 | 40.6 | 40.8 | 40.8 | 99 |
| Parity price | Cents | 37.0 | 36.6 | 37.9 | 38.8 | 43.0 | 43.6 | 43.7 | 44.3 | 114 |
| Farm as percentage of parity | Percent | 115 | 115 | 109 | 107 | 93 | 93 | 93 | 92 | 86 |
| Boston market price | | | | | | | | | | |
| Domestic wool | | | | | | | | | | |
| Territory, scoured basis | | | | | | | | | | |
| 64's, 70's, 80's, staple | Cents | 99.5 | 99.5 | 103.7 | 110.6 | 122.0 | 122.0 | 122.7 | 125.5 | 113 |
| 56's, combing | Per | 88.5 | 88.5 | 92.7 | 99.2 | 108.5 | 108.5 | 107.0 | 101.0 | 102 |
| Bright fleece, grease basis | pound | | | | | | | | | |
| 64's, 70's, 80's, delaine | " | 40.0 | 40.0 | 42.1 | 43.5 | 50.5 | 50.5 | 50.7 | 51.5 | 118 |
| 56's, combing | " | 46.5 | 46.5 | 48.0 | 49.0 | 56.5 | 56.5 | 55.4 | 51.0 | 104 |
| Foreign wool, excl. duty | | | | | | | | | | |
| Australian, Clean basis | | | | | | | | | | |
| 64's, 70's, topmaking | " | 74.5 | 74.5 | 75.7 | 78.9 | 104.0 | 110.8 | 116.5 | 125.4 | 159 |
| Montevideo, grease basis 2/ | | | | | | | | | | |
| 60's, 64's (merinos) | " | 41.5 | 43.0 | 44.5 | 44.5 | 50.9 | 53.0 | 55.4 | 56.0 | 126 |
| 56's (ones) | " | 42.5 | 43.5 | 44.5 | 44.5 | 49.4 | 50.8 | 52.1 | 52.5 | 118 |
| Other textile fibers | | | | | | | | | | |
| Cotton, middling 15/16" 3/ | Cents | 35.5 | 36.9 | 36.1 | 30.9 | 34.3 | 31.6 | 31.7 | 33.6 | 109 |
| Rayon staple fiber | per | | | | | | | | | |
| Viscose 1-1/2 denier | pound | 25.0 | 25.0 | 25.0 | 26.5 | 32.0 | 32.0 | 32.0 | 32.0 | 121 |
| Acetate 5 denier | " | 38.0 | 38.0 | 38.0 | 42.0 | 48.0 | 48.0 | 48.0 | 48.0 | 114 |

CONSUMPTION AND SUPPLIES

| | Unit | 1946 June | 1946 July | 1946 Aug. | 1946 Sept. 1/ | 1947 June | 1947 July | 1947 Aug. 1/ | 1947 Sept. 1/ | Last data available as percent of a year earlier |
|---|---|---|---|---|---|---|---|---|---|---|
| Mill consumption | | | | | | | | | | |
| Per week, during month 4/ | | | | | | | | | | |
| Grease basis | | | | | | | | | | |
| Apparel wool, total | 1000 Lb. | 20,898 | 17,256 | 21,304 | 21,861 | 17,476 | 14,487 | 18,032 | 5/18,300 | 84 |
| Domestic | " | 4,161 | 3,939 | 5,295 | 5,913 | 5,996 | 5,380 | 7,379 | 5/ 8,600 | 145 |
| Foreign (duty-paid) | " | 16,737 | 13,317 | 16,009 | 15,948 | 11,480 | 9,107 | 10,653 | 5/ 9,700 | 61 |
| Carpet wool (duty-free) | " | 3,605 | 2,540 | 3,595 | 3,590 | 4,528 | 3,509 | 4,823 | 5/ 4,700 | 131 |
| Scoured basis | | | | | | | | | | |
| Apparel wool, total | | 12,207 | 9,971 | 12,243 | 12,262 | 9,466 | 7,768 | 9,570 | 9,500 | 76 |
| Domestic | " | 1,998 | 1,843 | 2,447 | 2,590 | 2,539 | 2,296 | 3,085 | 3,600 | 131 |
| Foreign (duty-paid) | " | 10,209 | 8,128 | 9,796 | 9,672 | 6,927 | 5,472 | 6,485 | 5,900 | 61 |
| Carpet wool (duty-free) | " | 2,566 | 1,826 | 2,576 | 2,565 | 3,298 | 2,537 | 3,463 | 3,400 | 133 |
| Accumulated since Jan. 1 4/ | | | | | | | | | | |
| Grease basis | | | | | | | | | | |
| Apparel wool, total | Mil. Lb. | 518.9 | 605.2 | 690.4 | 777.8 | 509.4 | 581.9 | 654.0 | 5/727.2 | 93 |
| Domestic | " | 84.0 | 103.7 | 124.9 | 148.5 | 165.5 | 192.4 | 221.9 | 5/256.3 | 173 |
| Foreign (duty-paid) | " | 434.9 | 501.5 | 565.5 | 629.3 | 343.9 | 389.5 | 432.1 | 5/470.9 | 75 |
| Carpet wool (duty-free) | " | 86.6 | 99.3 | 113.7 | 128.1 | 117.0 | 134.6 | 153.8 | 5/172.6 | 135 |
| Scoured basis | | | | | | | | | | |
| Apparel wool, total | " | 306.2 | 356.1 | 405.0 | 454.0 | 280.4 | 319.2 | 357.5 | 395.5 | 87 |
| Domestic | " | 40.4 | 49.6 | 59.4 | 69.7 | 71.6 | 83.1 | 95.4 | 109.8 | 156 |
| Foreign (duty-paid) | " | 265.8 | 306.5 | 345.6 | 384.3 | 208.8 | 236.1 | 262.1 | 285.7 | 74 |
| Carpet wool (duty-free) | " | 61.6 | 70.8 | 81.1 | 91.3 | 83.9 | 96.6 | 110.4 | 124.0 | 136 |
| Imports - actual weight 6/ | | | | | | | | | | |
| Apparel wool (duty-paid) | " | 53.0 | 74.2 | 66.9 | 73.8 | 34.6 | 27.3 | 26.2 | 30.8 | 42 |
| Carpet wool (duty-free) | " | 19.9 | 28.3 | 22.0 | 11.4 | 22.9 | 21.4 | 9.7 | 10.4 | 91 |
| Accumulated since Jan. 1 | | | | | | | | | | |
| Apparel wool (duty-paid) | " | 439.4 | 513.6 | 580.5 | 654.4 | 281.9 | 309.2 | 335.4 | 366.3 | 56 |
| Carpet wool (duty-free) | " | 146.4 | 174.7 | 196.7 | 208.1 | 98.0 | 119.4 | 129.0 | 139.4 | 67 |
| Stocks end of month | | | | | | | | | | |
| Apparel wool, grease basis | | | | | | | | | | |
| C.C.C. stocks | " | 499.0 | 525.1 | 537.9 | 541.1 | 443.8 | 430.0 | 383.6 | 371.5 | 69 |
| Mill and dealer stocks | | | | | | | | | | |
| Domestic wool | " | 113.7 | | | 153.1 | 169.9 | | | 5/230.5 | 151 |
| Foreign wool | " | 318.5 | | | 302.3 | 207.7 | | | 5/182.0 | 60 |
| Total apparel wool | " | 931.2 | | | 996.5 | 821.4 | | | 5/784.0 | 79 |
| Carpet wool. grease basis | " | 137.0 | | | 146.2 | 124.2 | | | 5/107.0 | 73 |
| Wool fabric production | | | | | | | | | | |
| Accumulated since Jan. 1 | | | | | | | | | | |
| Men's wear | Million | 111.8 | | | 166.8 | 112.7 | | | 158.0 | 95 |
| Women's & Childrens' wear | Linear | 117.0 | | | 173.9 | 83.2 | | | 124.4 | 72 |
| Other apparel fabrics | Yards | 30.9 | | | 46.2 | 26.4 | | | 37.7 | 82 |
| Total apparel fabrics | " | 259.7 | | | 386.9 | 222.3 | | | 320.1 | 83 |
| Blankets | " | 24.4 | | | 36.2 | 20.6 | | | 26.9 | 74 |
| Other non apparel fabrics | " | 16.1 | | | 23.6 | 16.0 | | | 23.9 | 101 |
| Total woven fabrics | " | 300.2 | | | 446.7 | 258.8 | | | 370.8 | 83 |

Compiled from official sources.

1/ Preliminary

2/ Boston Commercial Bulletin quotations.

3/ Average at 10 markets.

4/ The first month of each quarter is a 5 week period, the other months are 4 week periods.

5/ Grease basis figures for September derived from preliminary scoured basis data.

6/ Imports for consumption.

# THE WOOL SITUATION

Approved by the Outlook and Situation Board, December 9, 1947

## SUMMARY

The rapid recovery of the wool textile industry is one of the brighter spot in western Europe's postwar situation and it has been a strengthening factor in world wool markets.

Because of the strong foreign demand for wool, and small spot supplies of foreign fine wool at Boston, prices of imported fine wools at that market advanced rapidly in September and October and then remained firm through November. During the same period, however, prices for South American medium-grade wool at Boston did not change much.

The rise in world prices of fine wools during the past year has been such that many domestic producers of these grades have found it profitable to sell through channels other than the Commodity Credit Corporation. Because of the increased demand for fine domestic wools, CCC stocks of these grades have been reduced, but stocks of medium grades have continued to accumulate.

On October 25, the CCC revised its selling prices sharply to bring them in line with current market conditions. Prices of staple length fine wools were increased 1 to 2 cents a pound, clean basis. Prices of medium and coarse grades were lowered 9 to 13 cents a pound.

The CCC probably will continue to purchase most of the domestic production of medium and coarse wools in 1948 as its support prices are much higher than current market prices for these grades. But much of the fine domestic wool may be sold outside of the program.

One of the most significant events affecting the wool outlook is the recent reciprocal tariff agreements negotiated at Geneva. These provide for a reduction of our import duties on both raw wool and wool textiles. The tariff on grades finer than 44s, which make up the bulk of our raw wool imports, is reduced 25 percent or 8-1/2 cents per clean pound. The specific duties on wool textiles also are reduced 25 percent, and ad valorem duties ranging from 35 to 45 percent are mostly lowered to 25 percent. The reductions in tariff may not have any large effect on total imports of raw wool and wool textiles in 1948.

(For release December 26, a.m.)

## CCC Reduces Selling Prices Of Many Domestic Wools

CCC selling prices for domestic wools were revised sharply, effective October 25, to bring them more in line with current market conditions. Prices of staple combing length fine wools, which are in strong demand, were increased 1 to 2 cents a pound, clean basis. Prices of short-length fine and half-blood wools were reduced 1 to 5 cents a pound and prices of medium and coarse wools were reduced 9 to 13 cents. CCC selling prices for medium grades had been much higher than duty-paid prices of similar imported wools, after allowance for skirting and higher yield As a result CCC sales had been small.

The price changes for medium and coarse domestic wools greatly improved their competitive position with foreign wools. At the beginning of December, CCC selling prices of most grades appeared to be below prices of comparable duty-paid foreign wool. On medium grades (three-eighths blood and quarter-blood), the difference was about 5 cents per clean pound. With the reduction in tariff of 8-1/2 cents a pound effective January 1, 1948, however, medium and coarse grades of imported wool may again be cheaper than comparable domestic wools. In early December, on the other hand, duty-paid prices for fine grades of imported wool, when adjusted to domestic standards, were 10 to 20 cents a pound (clean basis) higher than CCC selling prices for similar domestic wools. Even with the lower duty, prices of foreign fine wools would still be slightly above prices of comparable domestic wools.

Fine staple combing territory and Texas wools are offered by CCC at $1.23-$1.27 a pound, clean basis, under the October 25 schedule which is now in effect, compared with $1.22-$1.25 in the schedule effective from August 6 through October 24 In December 1946, the CCC was selling such wools at $1.14 a pound. Graded staple 56/58s territory wools are $1.01 a pound, clean basis, under the October price schedule, or about the same as in December 1946 compared with $1.10 in the schedule in effect prior to October 25, 1947. The above prices quoted from the current effective schedule apply to the 1946 and 1947 clips. Wools from earlier clips are offered at a discount of 3 cents a pound from the revised prices for 1946-47 wools.

## Prices of Imported Fine Wools Advance Medium Wools Unchanged

Prices of imported fine wools at Boston advanced rapidly in September and October and remained firm during November. This reflected small spot supplies at that market and the sharp increase in prices in foreign markets which occurred at the opening of the new season's sales. Australian 64s, 70s, good topmaking wools which were $1.04 a pound clean basis, (before payment of duty) the first week of September, advanced to $1.25 a pound for the week ending November 28. Quotations for South American medium grades at Boston did not change much during those months. Montevideo 56s which were quoted at 50.5 cents a pound, grease basis, and 50s quoted at 48.0 cents in bond the week ending September 5 were 52.5 and 49.5 cents respectively in late November. Prices of fine wools advanced in Australian markets following the announcement of the proposed United States tariff reduction.

Duty on Raw Wool and
Wool Textiles Lowered

The duty on apparel wools grading finer than 44s is reduced 25 percent under new trade agreements recently negotiated at Geneva and announced by the State Department on November 17. The new rates become effective January 1, 1948. The duty on such wools, when imported in a greasy or washed condition, is lowered to 25-1/2 cents per clean pound, a reduction of 8-1/2 cents. About 90 percent of United States imports normally are greasy or washed. These wools if scoured will pay a duty of 27-3/4 cents a pound. The new rate is the lowest since the wool tariff was reimposed in 1921. It is the first change in duty for these grades since 1930. The duty-free status of carpet wools and other wools not finer than 40s if used for carpets or other specified uses and the duties on these wools, if not used for carpets and other specified uses, and duties on wools finer than 40s but not finer than 44s were not considered at Geneva. Rates on these grades were reduced 40 to 50 percent from 1930 rates under earlier trade agreements with Argentina (1941) and with Uruguay (1943).

Imports of wools finer than 44s which make up the bulk of United States imports of dutiable wool, totaled 703 million pounds in 1946, 87 percent of dutiable imports for that year. They totaled 322 million pounds in the first 9 months of 1947. In 1935-39 imports of wools finer than 44s averaged 59 million pounds a year and were 66 percent of dutiable imports for the period.

Tariff rates on woolen and worsted woven fabrics also will be reduced. The duties on these fabrics consist of a specific duty and an ad valorem duty. In the new trade agreement, the specific duties of 40 or 50 cents per pound, are, with one minor exception, reduced 25 percent, the same as the reduction in the raw wool duty. The ad valorem rates ranging in most cases from 35 to 45 percent are mostly lowered to 25 percent. Protection to domestic manufacturers is afforded by the provision that if imports in any calendar year are greater than 5 percent of the average annual domestic production of similar fabrics in the 3 preceding years, the United States has reserved the right to increase the ad valorem duty to 45 percent on the excess quantity.

United States imports of woven wool fabrics normally have been small. They averaged only about 2 percent of our production of wool fabrics in 1935-39, and came chiefly from the United Kingdom and France.

Imports Continue Relatively Small

During the third quarter of 1947, imports of apparel wool (dutiable) for consumption were only 84 million pounds (actual weight). This was much below the rate at which domestic mills were using foreign wools and only 60 percent of the January-June rate. Total receipts at United States ports during the third quarter were even smaller than entries for consumption which included a net withdrawal of foreign wool from bonded warehouses. The small import during this period was in part seasonal. There were no auctions in the British Dominions in July and August. In South America, the season was ending and selections were limited. Also the high prices of fine wools abroad in the spring had encouraged United States buyers to shift from foreign to domestic sources for a larger part of their raw wool and buying for import was small.

Table 1.- UNITED STATES TARIFF RATES ON RAW WOOL

| Item | Tariff Paragraph | Rate Specified in Tariff Act of 1930 | Changes Under Trade Agreements prior to Geneva Conf. 1/ | | Rate Under Geneva Agreements Effective Jan. 1, 1948 1/ |
|---|---|---|---|---|---|
| | | | First Effective date | Rate | |
| | | Cents Per Pound of Clean Content | | Cents per Pound of Clean Content | Cents Per Pound of Clean Content |
| Wools N.S.P.F. 3/ finer than 44s | | | | | |
| In the grease or washed | 1102b | 34 | | Unchanged | 25-1/2 |
| Scoured | " | 37 | | " | 27-3/4 |
| On the skin | " | 32 | | " | 24 |
| Sorted or matchings if not scoured | " | 35 | | " | 26-1/4 |
| Wools N.S.P.F. 3/ finer than 40s but not finer than 44s | | | | | |
| In the grease or washed | 1102a | 29 | 11/15/41 | 17 | 17 |
| Scoured | " | 32 | " | 20 | 20 |
| On the skin | " | 27 | " | 15 | 15 |
| Sorted or matchings if not scoured | " | 30 | " | 18 | 18 |
| Donskoi, Smyrna, Cordova--and similar wools without merino or English blood and all other wools not finer than 40s. | | | | | |
| If not used for carpets, etc. 2/ | | | | | |
| In the grease or washed | 1101a | 24 | 11/15/41 | 13 | 13 |
| Scoured | " | 27 | " | 16 | 16 |
| On the skin | " | 22 | " | 11 | 11 |
| Sorted or matchings if not scoured | " | 25 | " | 14 | 14 |
| If used for carpets, etc. 2/ | | | | | |
| In the grease or in any above form | 1101b | Free | | Unchanged | Free |

1/ Except for concessions in agreements with Cuba the reduced tariffs established by a trade agreement with one country apply to the products of all foreign countries.

2/ The 1930 Tariff Act specified the use of these wools in the manufacture of rugs, carpets and other floor coverings and press cloth, camel's hair belting, knit or felt boots, and heavy fulled lumbermen's socks.

3/ Not specially provided for.

Arrivals (general imports) of wool finer than 40s at 3 Eastern ports during October and the first half of November increased some over the third quarter rate, but imports probably will continue relatively small the rest of the year. Imports for consumption of apparel wool (dutiable) for all of 1947 will be little more than half as large as the 1946 record of 812 million pounds and will be the smallest for any year since 1940.

Because it has been announced that the duty on wool will be lowered on January 1, importers will hold their wool in bonded warehouses until after that date except where it is needed for immediate use. As a result, imports for consumption (which include withdrawals from bond) may be rather large in the early part of 1948. But the reduction in tariff may not have any large effect on the total quantity imported in 1948.

Stocks at end of September about 20 Percent Smaller than Last Year.

Apparel wool stocks held by United States mills, dealers and the Government on September 27 were about 20 percent smaller than a year earlier when they were at a record of 996 million pounds (grease basis). They were smaller than stocks at the end of September for most years since 1941. Mills and dealers held 413 million pounds. This was equivalent to 5.1 months of consumption at the 1947 average rate of consumption. CCC stocks of 371 million pounds were equivalent to 4-1/2 months supply.

Although mills and dealers stocks at the end of September were much larger than the 1935-39 average, they were about average in relation to the consumption rate. Stocks in those positions are not likely to be reduced as long as consumption is expected to be maintained. But CCC stocks probably will continue to decline.

Mill Consumption Increases After Summer Decline

After declining sharply in July because of workers' vacations, mill consumption of apparel wool increased and in September was at an annual rate of 952 million pounds (grease basis). On a scoured basis, the September consumption was 23 percent below the September 1946 rate. Consumption during October and November probably continued at or slightly higher than the September rate. Consumption in worsted mills in September was 15 percent smaller than a year earlier and in woolen mills was 36 percent smaller. Use of domestic wool increased during the third quarter. In September 38 percent (scoured basis) of the wool used by mills was domestic wool compared with only 25 percent in the early months of 1947.

During the first 9 months of this year, domestic mills used about 727 million pounds (grease basis) of apparel wool. If consumption should continue at the September rate through the last quarter of 1947, 970 million pounds (grease basis) would be used this year compared with 1,072 million pounds in 1946. Consumption in 1948 is expected to range between 825 and 925 million pounds (grease basis) depending on employment and consumer income. Mill use of wool on a scoured basis, in the first 9 months of 1947 was 13 percent smaller than the record consumption in the same months last year.

Production of Wool Textiles
Shows Little Change in Third Quarter

United States mills produced 112 million linear yards of woolen and worsted woven goods during the third quarter of 1947, about the same as in the second quarter but 24 percent less than in the third quarter of 1946. Production of men's wear, including fabrics for the Government, in the third quarter of 1947 declined 14 percent from the previous quarter, but this was offset by a 16 percent increase in output of women's wear fabrics. Considerably less of both men's wear and women's wear fabrics were produced than in the third quarter of 1946.

It still appears likely that fabric production for all of 1947 will total about 475-500 million linear yards, compared with the record 1946 production of 604 million and that output in 1948 may be only moderately lower than in 1947.

THE FOREIGN SITUATION

Wool Prices Well Maintained
In Foreign Markets

Apparel wool prices have been strong in foreign markets in recent months. There was some reaction from the high level reached at the opening sales of the new season in September when prices of fine wools rose 15 to 25 percent above June closing rates. By early October, however, prices for these grades returned to opening levels and since then, have continued firm. One feature of the new selling season has been the strength in prices of fine crossbred wools. They advanced about 20 percent above June closing rates when the new season opened in September, continued to rise moderately during the first few weeks of the sales, but appeared to be levelling off in November. Good combing 64s-70s were quoted at 137.7 cents a pound, clean basis, for the first week of sales which opened at London November 17. This was about the same as for September. Fine crossbred 56s were 88 cents a pound, clear basis, for the first week of November sales, unchanged from the September close. Prices in Australia and South Africa followed a pattern quite similar to that at London.

There was an active demand for merinos and fine crossbreds in Uruguay and Argentina and prices of these wools advanced in September and October. Demand for coarse crossbred wools was light.

Offerings of Joint Organization
Wool in 1947-48 Season

The Joint Organization (U.K.-Dominions Wool Disposal, Ltd.) is offering about 180 million pounds1/ of wool from its stocks during the first half of the 1947-48 selling season which ends December 31. The program originally provided for offering

1/ Converted from bales using an average of 300 pounds per bale.

about 96 million pounds in the United Kingdom auctions at London, Liverpool and Bradford, 54 million pounds in Australia, and 15 million pounds each in New Zealand and South Africa. However, some changes in the original schedule have been made. The quantity of medium crossbred wools offered at the London sales in November was increased slightly following the strong demand for those wools at earlier sales. Offerings of merino wools were reduced slightly.

In addition to the Joint Organizations wool, all of the current production of Australia, New Zealand and South Africa will be offered on an auction schedule during the season. So far, almost all of the wools offered have been sold at the auctions or have been sold privately after the close of the auction.

Table 2.- Prices of good fleece wools at the London auctions in cents per pound, clean basis, Sept. 1946-Dec. 1947

| Week Ended 1/ | Good Medium Fleeces | | | Fine Crossbred Fleeces | | Crossbred Fleeces | |
|---|---|---|---|---|---|---|---|
| | 64s-70s | 60s-64s | 58s-60s | 56s | 50s | 48s | 46s |
| | Cents | Cents | Cents | Cents | Cents | Cents | Cents |
| 1946 | | | | | | | |
| September 13 | 75.6 | 70.6 | 67.2 | 63.9 | 50.4 | 48.7 | 47.1 |
| September 27 | 82.4 | 74.0 | 70.6 | 63.9 | 48.7 | 45.4 | 43.7 |
| November 29 | 82.3 | 77.3 | 68.0 | 63.0 | 50.4 | 45.3 | 42.0 |
| December 13 | 83.9 | 78.9 | 68.0 | 62.1 | 52.0 | 45.3 | 42.0 |
| 1947 | | | | | | | |
| February 6 | 88.1 | 83.9 | 73.0 | 64.6 | 52.9 | 48.7 | 43.6 |
| February 20 | 88.9 | 83.9 | 73.8 | 64.6 | 52.9 | 48.7 | 43.6 |
| April 17 | 100.7 | 95.7 | 82.2 | 63.8 | 53.7 | 47.0 | 43.6 |
| May 1 | 107.4 | 103.2 | 87.3 | 68.0 | 54.5 | 47.0 | 43.6 |
| July 11 | 109.9 | 104.0 | 88.1 | 2/ | 53.7 | 45.3 | 42.8 |
| July 25 | 123.3 | 113.3 | 96.5 | 72.2 | 56.2 | 47.0 | 43.6 |
| September 19 | 136.0 | 126.0 | 104.1 | 81.5 | 63.8 | 51.2 | 47.9 |
| October 3 | 137.7 | 126.0 | 109.2 | 88.2 | 68.0 | 57.1 | 50.4 |
| November 21 | 137.7 | 125.1 | 109.2 | 88.2 | 69.7 | 60.5 | 53.8 |
| December 5 | 137.7 | 3/ | 3/ | 89.0 | 3/ | 3/ | 52.0 |

1/ Quotations are for week ending on date shown, which are opening and closing weeks for each series. 2/ No quotations. 3/ Not yet received.

Compiled from Kreglinger and Fernau Market reports. Prices in pence per pound were converted to cents at current rates of exchange.

## Wool Textile Activity in Western Europe Expected to Remain High

The rapid recovery of the wool textile industry is one of the brighter spots in Western Europe's postwar situation and it has been a strengthening factor in world wool markets. Outside of Germany, the wartime destruction of plants and machinery was relatively light and activity expanded rapidly as raw material became available. By 1947, it was at 1938 levels or above in France, Belgium, Italy, and some of the smaller Western European manufacturing areas. These countries depend almost entirely on foreign sources for their raw wool which was available in large quantity from sterling areas and from South America. Imports have been aided by liberal credits arranged by the wool exporting countries.

The principal handicap to production in the wool textile industry now appears to be the shortage of fuel. Production through the winter may depend in part on the extent to which the United States aids in providing fuel for industrial operations. If fuel and power are available, it seems likely that this industry will continue to operate at a relatively high level for some time longer. Exports of wool manufactures provide an important source of foreign exchange to Western European countries and in some cases, repayment of credits for raw wool are linked with these exports. Because of this they are exporting a substantial part of their output and a minimum is being retained for home use. As the need for wool textiles and clothing in these countries is very large, it probably will take several years of high activity to fill domestic needs.

## Southern Hemisphere Wool Exports Set New Record in 1946-47

Wool exports from 5 principal exporting countries in the Southern Hemisphere in the 1946-47 season reached a new high of 2.4 billion pounds 1/ (actual weight), about 1 percent above 1945-46 and 38 percent larger than the average for 1934-38. Exports were relatively large in the early months of the season when they included large quantities of wool sold by the Joint Organization in 1945-46 which had not been shipped when the 1946-47 season opened.

Exports to Western Europe, except Germany, increased sharply in 1946-47 and were larger than 1934-38 average. In addition to the direct shipments, Western European countries also obtained wool purchased at the London sales in 1946-47. Exports to the United States of about 740 million pounds 1/ were 2 percent larger than in the previous season and almost 7 times as large as the 1934-38 average. These shipments included carpet wools from South America and New Zealand as well as apparel wools.

## Conditions Improve in Southern Hemisphere 1947 Wool Production above Earlier Estimate

World wool production for 1947-48 is now expected to be 3,720 million pounds (grease basis), about 2 percent smaller than last year.

Southern Hemisphere production, which provides most of the worlds exports of apparel wool, is now estimated at 2,300 million pounds for 1947, about 1 percent smaller than in 1946. Production in Australia is estimated to be slightly larger than last year, but production in most other countries is below last year. Southern Hemisphere production for 1947 is about 9 percent larger than the 1934-38 average.

1/ Includes estimates for final month of season in New Zealand and Argentina which are not included in data in Table 3.

Table 3.- Wool exports from five principal Southern Hemisphere exporting countries 1934-38 average, and 1946 1/

| Country of destination | Three British Empire countries 2/ | | Two South American countries 3/ | | Total five countries | |
|---|---|---|---|---|---|---|
| | Average 1934-38 | 1946 4/ | Average 1934-38 | 1946 4/ | Average 1934-38 | 1946 4/ |
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| United States | 43.2 | 464.1 | 68.1 | 210.4 | 111.3 | 674.5 |
| United Kingdom | 529.5 | 455.6 | 105.5 | 7.5 | 635.0 | 463.1 |
| France | 184.0 | 279.7 | 55.6 | 34.8 | 239.6 | 314.5 |
| Belgium | 150.7 | 256.8 | 31.0 | 46.8 | 181.7 | 303.6 |
| Germany | 111.1 | 29.1 | 79.4 | 0 | 190.5 | 29.1 |
| Italy | 38.9 | 237.3 | 32.5 | 18.5 | 71.4 | 255.8 |
| Netherlands | 5/ | 18.3 | 6.1 | 27.0 | 6.1 | 45.3 |
| Sweden | 5/ | 7.3 | 3.4 | 13.9 | 3.4 | 21.2 |
| Other Continental Europe 6/ | 60.3 | 100.7 | 18.6 | 44.5 | 78.9 | 145.2 |
| Total Continent 6/ | 545.0 | 929.2 | 226.6 | 185.5 | 771.6 | 1,114.7 |
| Soviet Union | 5/ | 5/ | 5/ | 21.5 | 5/ | 7/ 21.5 |
| Japan | 171.3 | - | 15.0 | - | 186.3 | - |
| Other Countries | 43.1 | 93.7 | 4.6 | 12.6 | 47.7 | 106.3 |
| Total | 1,332.1 | 1,942.6 | 419.8 | 437.5 | 1,751.9 | 2,380.1 |

Compiled from official sources by the Office of Foreign Agricultural Relations.
1/ Actual weight of greasy, scoured and pulled wool. 2/ Australia, New Zealand, and Union of South Africa; Season beginning July 1. 3/ Argentina and Uruguay; Season beginning October 1. 4/ Data for 1946 incomplete as they include only 11 months exports from New Zealand and Argentina. 5/ Not reported separately. 6/ Exclusive of the Soviet Union. 7/ Two countries only.

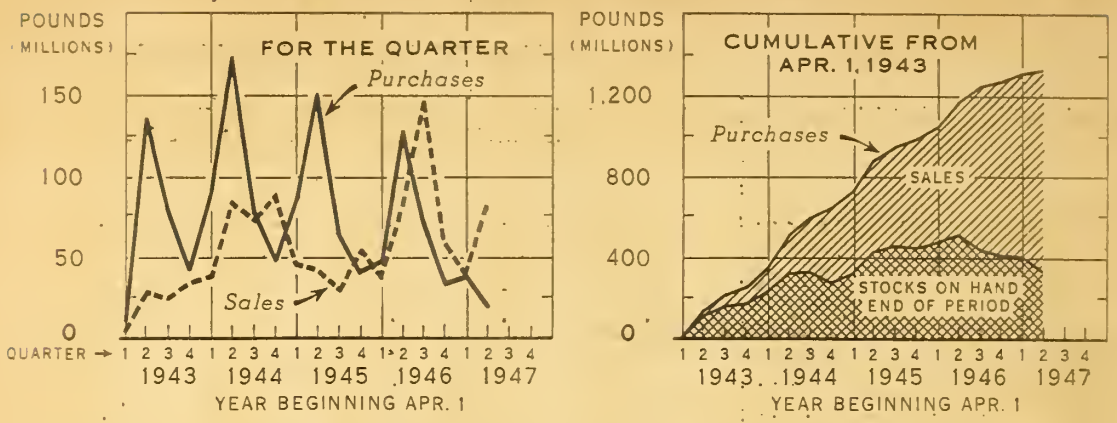
Table 4.- Wool production in specified countries and estimated world total, grease basis, average 1934-38, annual 1945-47

| Country or area | Average 1934-38 | 1945 | 1946 1/ | 1947 1/ |
|---|---|---|---|---|
| | Mil. lb. | Mil. lb. | Mil. lb. | Mil. lb. |
| Principal Exporting Countries | | | | |
| Australia | 995.3 | 932.9 | 970.0 | 980.0 |
| New Zealand | 299.3 | 365.0 | 360.0 | 360.0 |
| Union of South Africa | 238.6 | 210.0 | 209.3 | 200.0 |
| Argentina | 370.4 | 505.0 | 515.0 | 495.0 |
| Uruguay | 118.0 | 175.2 | 176.0 | 168.0 |
| Other South America | 103.9 | 111.0 | 109.6 | 108.6 |
| Asia | 328.5 | 332.5 | 339.3 | 327.5 |
| Principal Importing Countries | | | | |
| United States | 424.6 | 378.4 | 341.2 | 308.3 |
| United Kingdom | 108.3 | 83.7 | 87.5 | 70.0 |
| Continental Europe 2/ | 375.7 | 307.1 | 313.6 | 322.1 |
| Soviet Union | 210.0 | 250.0 | 260.0 | 270.0 |
| Other Countries | 127.4 | 139.2 | 118.5 | 110.5 |
| Estimated World Total 3/ | 3,700.0 | 3,790.0 | 3,800.0 | 3,720.0 |

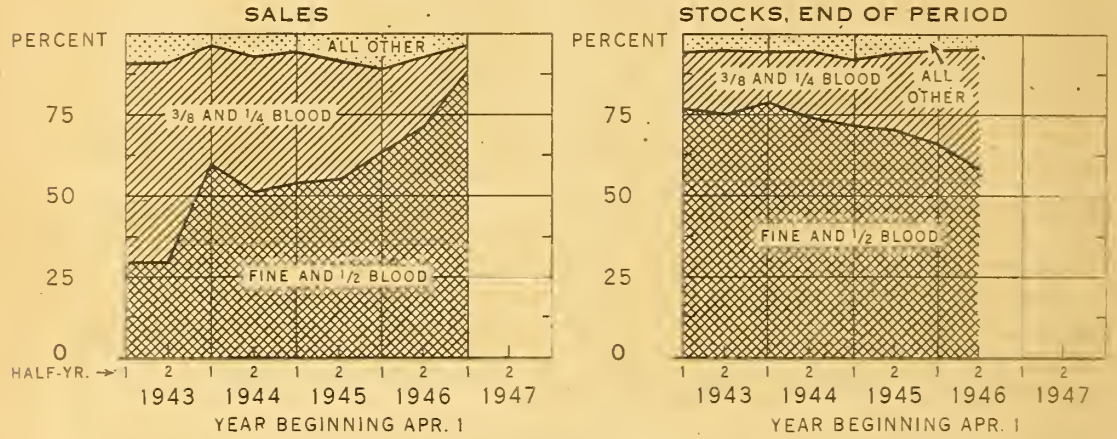
Estimates of the Office of Foreign Agricultural Relations.
1/ Preliminary. 2/ Exclusive of the Soviet Union. 3/ For summary purposes wool produced mostly in the spring in the Northern Hemisphere is combined with that produced in the seasons beginning July 1 or October 1 of the same year in the Southern Hemisphere.

# REVIEW OF CCC WOOL PURCHASE AND SALES PROGRAM, 1943-47

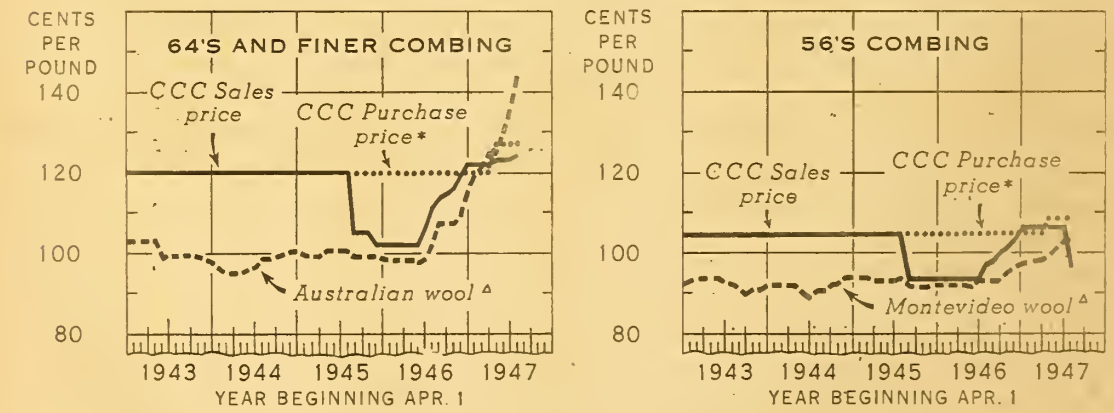
## PURCHASES, SALES, AND STOCKS (ACTUAL WEIGHT)




## COMPOSITION OF SALES AND STOCKS, BY GRADES




## COMPARISON OF PRICES, BY GRADES, AT BOSTON (CLEAN BASIS)




*PURCHASES, SALES AND STOCKS FROM THE FISCAL BRANCH, DOMESTIC PRICES FROM THE COMMODITY CREDIT CORPORATION, P.M.A.*

** PURCHASE AND SELLING PRICE THE SAME, APRIL 1943 THROUGH NOVEMBER 1945*

*Δ IN BOND PRICE OF IMPORTED WOOL ON A CLEAN BASIS, ADJUSTED FOR TARIFF, SKIRTING, AND LIGHTER SHRINKAGE*

U S DEPARTMENT OF AGRICULTURE NEG. 46603 BUREAU OF AGRICULTURAL ECONOMICS

From the beginning of the wool support program in April 1943, to September 30 1947, the CCC purchased 1.3 billion pounds (actual weight) of domestic wool. During a large part of this period, CCC selling prices for most grades were higher than duty-paid prices of comparable imported wool when adjusted to domestic standards, and only about three-fourths of the wools purchased had been resold to mills as of September 30 1947. Large sales of medium grades for Army use were made during the war. After foreign fine wool prices increased markedly in the 1946-47 selling season, domestic fine wools were in a better competitive position than medium wools and sales were largely fine grades. On September 30 however, CCC stocks still contained about 60 percent fine and half-blood wools.

# BRIEF REVIEW OF CCC WOOL PURCHASE PROGRAM 1943-1947

The Commodity Credit Corporation has purchased most of the domestic wool produced in the past 5 years in order to support prices to producers. The program has been extended each year since it started in April 1943. The program lapsed when the 1946 agreement expired on April 15, 1947 but was resumed on August 15, 1947 after the CCC was directed by Congress under Public Law 360 to continue to support prices to wool producers through 1948.

In the following review, the current program is treated separately from the programs for 1943-46 which were essentially wartime programs. Market conditions in the two periods generally were quite different.

## The Program from April 25, 1943 Through April 15, 1947

When the United States began the heavy rearmament program in 1940, the application of the "Buy America" Act of 1933 which required use of domestic wool in Government contracts, and the limited supplies of domestic wool caused prices to rise considerably higher than duty-paid prices of comparable foreign wool. An administrative order in November 1940 permitted use of foreign wool in Government orders; but the Army, beginning in 1941, paid a premium on fabrics made of domestic wool. This, together with the large volume of military orders, maintained domestic wool prices relatively high.

The support of domestic prices through the Army Procurement Program was not entirely satisfactory to the Quartermaster Department or to mills or growers. On April 17, 1943, the War Food Administration issued Food Distribution Order 50 effective April 25, 1943 which required that domestic wool, which had not been sold by producers prior to April 25, could be purchased only by the CCC with minor exceptions.

The Commodity Credit purchase program has been handled throughout by the wool trade. Dealers and cooperatives with adequate facilities for purchasing, handling, grading, storing, and selling wool to mills, who agreed to operate under the conditions prescribed by CCC were designated as "handlers". Provision was made for country merchants and assemblers to carry on their normal functions of collecting and assembling wool from small producers. These secondary handlers then resold such wool to primary handlers for storage and resale to mills. Maximum charges were specified for all marketing services performed by handlers. Primary handlers were permitted a maximum handling charge of $1\frac{1}{2}$ cents per pound (grease wool) on lots of 5,000 pounds or more, 2 cents per pound on lots of 1,000 pounds to 5,000 pounds, and $2\frac{1}{4}$ cents for lots of less than 1,000 pounds. Country service charges were mostly $1\frac{1}{2}$ to $2\frac{1}{4}$ cents per pound and were in addition to charges of primary handlers Some minor changes were made in these charges in later programs. FDO 50, (which made the purchase of wool by the CCC mandatory), was terminated on August 29, 1945. However, the purchase program was continued on a voluntary basis.

CCC purchase prices through the first 4 years of the program were based mainly on OPA ceiling prices for domestic wool, scoured basis, delivered at Boston. The value of each lot purchased from dealers was determined by official appraisers employed by the Department of Agriculture. Growers received the appraisal prices less handlers fees, transportation costs, grading or scouring costs where pertinent, and a CCC fee of 1-1/8 cents per pound to cover costs of appraisal, storage and interest. Prices received by growers during the first 4 years of the program average 42 cents a pound (grease basis). They had averaged 40 cents in 1942 and 23.9 cents for 1935-39.

Because the program was not launched until after the 1943 season had opened, only about 60 percent of the 1943 production was purchased by the CCC. In the next three seasons, however, purchases of the CCC accounted for over 90 percent of total production. The distribution of purchases during this period probably is a better indication of domestic wool production by grades than any data previously available. This distribution is shown in table 7.

Sales

Until November 1945 the CCC sold its wool to mills at the purchase price. These prices were much higher than duty-paid prices of comparable imported wool (See Chart). Consequently, mill purchases were limited chiefly for military fabrics for which the use of domestic wool was required. During 1943-45, the CCC sold a much larger percentage of its purchases of medium wools than of fine wools and the stocks accumulation of medium wools was relatively small. During this period, military requirements for wool blankets and other fabrics using medium wools were large. Also, the premium which the Army paid on war contracts using domestic wool was much more effective in equalizing costs between foreign and domestic medium wools than for fine wools. After VJ Day in August 1945, CCC sales fell off as the military cancelled most outstanding contracts. On November 27, 1945, CCC reduced its selling prices to move domestic wools into consumption. The only outlet for wool then was for civilian fabrics which were being made mostly from foreign wools because of their lower prices.

Sales increased after selling prices to mills were reduced in late 1945. However, sales were not large during the first half of 1946 as dealers and mills had already made large purchases of wool in foreign markets. Larger sales of CCC wool were made in the latter half of 1946 when prices in foreign markets started to rise. In late 1946, the CCC began to increase selling prices of its wool to keep them above parity. Upward adjustments were made monthly from October 1946 through March 1947 when the CCC selling price schedule again was as high or higher than it had been in November 1945 before the first reductions in prices were made. The restriction on sales below parity applies to all agricultural commodities by the CCC. Wool parity is based directly on the index of prices paid by farmers including interest and taxes which rose rapidly throughout this period

Total purchases of wool by the CCC for the first four years of the program amounted to 1,276 million pounds (actual weight) and represented about 90 percent of the domestic production of shorn and pulled wool. Stocks on hand at the end of March 1947 totaled 412 million pounds (actual weight). For the period as a whole, sales by grades had been distributed fairly well in accordance with purchases. Relatively large sales of fine wool in 1946 largely offset relatively smaller sales in the 3 preceding years.

The 1947-48 Program

When the wool purchase program lapsed in April 1947 the Congress was considering legislation to continue price support. On August 5, 1947 Public Law 360 was signed by the President which directed the CCC to support wool prices to growers until December 31, 1948 at the same level at which they were supported in 1946. Prices to growers in 1946 averaged 42.3 cents per pound. As a result, the CCC purchase program was resumed August 15 on essentially the same basis as the 1946 program. Wool handlers again were authorized to act as agents of the CCC in making purchases and in handling wool. Some changes were made in pricing methods, however. The new program provided that the shrinkage on appraisals should be determined by the core-test method. The use of this method had increased rapidly under the Govern- Government purchase program and its general adoption together with official appraisal of all wools was a marked improvement in wool marketing methods from earlier years when domestic wool was sold on the basis of the buyers evaluation of grade, shrinkage and other qualities.

The new purchase price schedule was designed to reflect the same average price to growers that they received in 1946 but, in line with current market values, it provides somewhat larger spread between grades and higher handling markups to dealers. Primary handlers are permitted a handling charge of $2\frac{1}{4}$ cents per pound (grease wool) on lots of 5,000 pounds or more and 2-3/4 cents a pound on lots of less than 5,000 pounds. This compares with a range of $1\frac{1}{2}$ to $2\frac{1}{4}$ cents per pound in the earlier programs. Country service charges on wool received through secondary handlers or pools are mostly $1\frac{1}{2}$ to $2\frac{1}{2}$ cents a pound (grease weight) and are in addition to charges of primary handlers. The charge for grading was increased to 1 cent a pound (grease wool) and CCC service and appraisal fee was increased to $1\frac{1}{2}$ cents per pound.

A much smaller part of the 1947 production will be purchased by CCC than in earlier years of the program. Only wool which producers owned on August 15 is eligible for purchase under the new program. A considerable quantity of 1947 wool had been sold during the lapse of the program, particularly fine wools, which were in strong demand at relatively high prices. But growers still had a large part of their 1947 production of medium wool and short fine wool as prices offered by dealers for these wools were below former support prices. By November 28 about 110 million pounds of shorn and pulled wool had been appraised for purchase under the 1947 program.

Sales

When the Congress directed CCC to continue price support to wool growers it also lifted restrictions on sales of wool below parity to permit the Corporation to sell its stocks on a competitive basis with foreign wools. Market conditions had changed rapidly in the last year. Prices of fine wools in foreign markets had increased sharply and CCC selling prices for fine wools were low in relation to duty-paid prices of comparable imported wools. Prices of foreign medium wools, on the other hand, had increased only moderately and their costs to United States mills were still much lower than costs of CCC medium wools. CCC sales from April through September 1947 were relatively large but about 90 percent of the sales were fine and half-blood wools.

On October 25 the CCC revised its selling prices sharply to bring them in line with current market conditions. Prices of staple length fine wools were increased 1 to 2 cents a pound, clean basis. Prices of medium and coarse grades were lowered 9 to 13 cents a pound. All 1943, 1944, and 1945 wools were discounted 3 cents a pound from the revised prices which apply to 1946 and 1947 wools. On September 30, 1947 the CCC still had 37 million pounds, grease basis, of 1943 and 1944 wools and 131 million pounds of 1945 wools out of total stocks of 371 million pounds (grease basis). About 58 percent of the September 30 stocks were fine and half-blood wools and 37 percent were 3/8 blood and 1/4 blood wools. The remaining 5 percent were low 1/4 blood and coarser, and offsorts.

Outlook for 1948

The CCC probably will purchase most of the domestic production of medium and coarse wools in 1948 but some of the fine wools may be sold outside of the program. The strong world demand and limited supplies of foreign fine wools suggests that prices of these wools may continue high for some time and growers may obtain higher prices by direct sale than through the CCC. On the other hand, support prices for medium and coarse wools are much higher than costs of comparable foreign wools. The CCC is now selling such wools at prices which are 8 to 16 cents a pound clean basis below their purchase prices, to meet competition of imported wools.

If the CCC meets competition of foreign wools in the disposal of its holdings, stocks probably will continue to decline in 1948. Stocks on hand at the beginning of 1948 probably will be little more than one-third of a years supply at the rate of consumption now indicated for 1948.

Table 5.- CCC Purchases, sales and stocks of wool by quarters, April 1943-September 1947 1/

| Season and quarter | Purchases (Actual weight) | Sales (Actual weight) | Stocks, end of quarter: As purchased: Grease | Stocks, end of quarter: As purchased: Scoured | Stocks, end of quarter: Total (Grease Equivalent) 2/ |
|---|---|---|---|---|---|
| | Million lb. | Million lb. | Million lb. | Million lb. | Million lb. |
| 1943-44 Season | | | | | |
| April-June | 10.7 | 2.7 | 7.9 | 0.1 | 8.1 |
| July-Sept. | 135.5 | 28.1 | 110.8 | 4.6 | 118.6 |
| Oct.-Dec. | 78.9 | 24.7 | 161.8 | 7.8 | 175.1 |
| Jan.-Mar. | 41.7 | 33.0 | 162.9 | 15.4 | 189.1 |
| Total | 266.8 | 88.5 | | | |
| 1944-45 Season | | | | | |
| April-June | 89.8 | 37.4 | 216.1 | 14.6 | 240.9 |
| July-Sept. | 173.9 | 83.8 | 300.1 | 20.7 | 335.3 |
| Oct.-Dec. | 76.2 | 72.9 | 304.1 | 20.0 | 338.1 |
| Jan.-Mar. | 46.7 | 88.2 | 264.0 | 18.6 | 295.6 |
| Total | 386.6 | 282.3 | | | |
| 1945-46 Season | | | | | |
| April-June | 85.3 | 46.0 | 298.8 | 20.1 | 333.0 |
| July-Sept. | 151.1 | 42.6 | 403.9 | 25.8 | 447.8 |
| Oct.-Dec. | 63.1 | 30 1 | 435.2 | 25.8 | 461.0 |
| Jan.-Mar. | 40.1 | 54 0 | 417.2 | 30.5 | 469.0 |
| Total | 339.6 | 172.7 | | | |
| 1946-47 Season | | | | | |
| April-June | 47.8 | 37.6 | 443.3 | 34.6 | 502.1 |
| July-Sept. | 129.0 | 81.5 | 490.8 | 32.3 | 545.7 |
| Oct.-Dec. | 72.3 | 146.9 | 414.6 | 29.6 | 464.9 |
| Jan.-Mar. | 33.4 | 59.7 | 379.6 | 32.9 | 435.5 |
| Total | 282.5 | 325.7 | | | |
| 1947-48 Season | | | | | |
| April-June | 3/ 37.7 | 38.3 | 365.5 | 42.9 | 438.4 |
| July-Sept. | 3/ 19.9 | 81.3 | 299.9 | 42.1 | 371.5 |

1/ As reported by Fiscal Branch, PMA. These data differ somewhat from data previously published in the Wool Situation which were based on handlers reports to the Livestock Branch PMA. The difference between purchases and sales does not equate with changes in stocks because of inter-transfers between banks and changes in weight due to moisture and scouring 2/ The scoured wool was converted to a grease equivalent by use of the factor 1.7. 3/ Does not include unclassified and unappraised wool totaling 16.3 million pounds in April-June and 61.1 million pounds in July-Sept.

Table 6 - Distribution of CCC stocks, grease basis. 1/ as of September 30, 1947

| By Grades: Grade | Quantity | Percentage of total | By Program: Year of purchase | Quantity | Percentage of total |
|---|---|---|---|---|---|
| | Mil. lb. | Percent | | Mil. lb. | Percent |
| Fine (64's-70's) | 140.7 | 37.9 | 1943 Program | 12.8 | 3.4 |
| Fine-med. & 1/2 blood (60's-64's) | 76.6 | 20.6 | 1944 " | 24.3 | 6.5 |
| 3/8 blood (58's-56's) | 113.5 | 30.6 | 1945 " | 130.7 | 35.2 |
| 1/4 blood (50's-48's) | 23.8 | 6.4 | 1946 " | 189.3 | 51.0 |
| Low 1/4 blood (46's-48's) | 3.5 | 0.9 | 1947 " | 14.4 | 3.9 |
| Common & braid (36's, 40's, 44's) | 1.4 | .4 | | | |
| Other | 12.0 | 3.2 | | | |
| Total | 371.5 | 100.0 | Total | 371.5 | 100.0 |

1/ Converted to a grease-equivalent basis by BAE. Data by grades are based on handlers reports to the Livestock Branch, PMA.

Table 7.- CCC wool purchases and sales: Percentage distribution by grades, grease basis, 1943-47

| Class and program 1/ | Fine (64s-70s) | Fine medium and 1/2 blood (60s-64s) | 3/8 blood (58s-56s) | 1/4 blood (50s-48s) | Low 1/4 blood (46s) | Common and braid (36s-44s) | Ungraded offsorts and other | Total |
|---|---|---|---|---|---|---|---|---|
| | Percent | Percent | Percent | Percent | Percent | Percent | Percent | Percent |
| | Purchases by Programs-Apr. 1943-Mar. 1947 | | | | | | | |
| Shorn Wool | | | | | | | | |
| 1943 Program | 47.8 | 17.8 | 14.7 | 11.2 | 0.7 | 0.3 | 7.5 | 100 |
| 1944 " | 46.2 | 19.0 | 16.2 | 10.8 | 1.0 | .5 | 6.3 | 100 |
| 1945 " | 46.4 | 19.0 | 16.1 | 10.9 | .9 | .2 | 6.5 | 100 |
| 1946 " | 48.4 | 19.6 | 15.9 | 10.2 | .9 | .2 | 4.8 | 100 |
| All Programs | 47.1 | 18.9 | 15.8 | 10.8 | .9 | .3 | 6.2 | 100 |
| Pulled Wool | | | | | | | | |
| 1943 Program | 11.9 | 24.8 | 50.4 | 6.2 | 1.5 | 0.2 | 5.0 | 100 |
| 1944 " | 5.9 | 23.0 | 61.5 | 7.0 | 1.1 | .2 | 1.3 | 100 |
| 1945 " | 8.7 | 25.9 | 56.5 | 5.5 | .9 | .2 | 2.3 | 100 |
| 1946 " | 8.4 | 29.7 | 54.2 | 4.2 | .8 | .2 | 2.5 | 100 |
| All Programs | 9.0 | 26.1 | 55.1 | 5.6 | 1.1 | .2 | 2.9 | 100 |
| Shorn and Pulled 2/ | | | | | | | | |
| 1943 Program | 39.4 | 19.5 | 23.0 | 10.1 | 0.9 | 0.2 | 6.9 | 100 |
| 1944 " | 41.7 | 19.5 | 21.3 | 10.4 | 1.0 | .4 | 5.7 | 100 |
| 1945 " | 37.0 | 20.7 | 26.1 | 9.6 | .9 | .2 | 5.5 | 100 |
| 1946 " | 41.1 | 21.5 | 22.8 | 9.1 | .9 | .2 | 4.4 | 100 |
| All Programs | 39.7 | 20.3 | 23.4 | 9.8 | .9 | .3 | 5.6 | 100 |
| Period | Sales by 6 month periods Apr. 1943-Sept. 1947 | | | | | | | |
| 1943-44 Season | | | | | | | | |
| Total | 17.7 | 12.1 | 35.2 | 26.1 | 1.1 | 3/ | 7.8 | 100 |
| 1944-45 Season | | | | | | | | |
| Apr.-Sept. | 39.2 | 19.9 | 21.1 | 16.0 | .9 | .2 | 2.7 | 100 |
| Oct.-Mar. | 33.3 | 18.0 | 29.6 | 12.6 | .8 | .2 | 5.5 | 100 |
| Total | 35.8 | 18.9 | 25.9 | 14.1 | .8 | .2 | 4.3 | 100 |
| 1945-46 Season | | | | | | | | |
| Apr.-Sept. | 23.6 | 29.8 | 32.2 | 9.1 | 1.1 | .1 | 4.1 | 100 |
| Oct.-Mar. | 33.2 | 21.9 | 24.6 | 11.9 | 1.7 | .3 | 6.4 | 100 |
| Total | 27.6 | 26.5 | 29.0 | 10.3 | 1.3 | .2 | 5.1 | 100 |
| 1946-47 Season | | | | | | | | |
| Apr.-Sept. | 42.8 | 20.3 | 16.4 | 9.4 | .9 | .2 | 10.0 | 100 |
| Oct.-Mar. | 44.7 | 21.7 | 14.6 | 6.7 | .9 | .5 | 5.9 | 100 |
| Total | 45.5 | 20.8 | 16.0 | 8.5 | .9 | .3 | 8.0 | 100 |
| 1947-48 Season | | | | | | | | |
| Apr.-Sept. | 62.0 | 26.9 | 6.5 | 1.5 | .4 | .3 | 2.6 | 100 |

1/ The 1943 program extended from April 23, 1943 to March 31, 1944 for shorn wool and to April 30, 1944 for pulled wool; the 1944 program extended from termination of previous program to December 31, 1944; the 1945 program extended from January 1, 1945 to March 31, 1946, the 1946 program extended from April 1, 1946 to April 15, 1947. 2/ Shorn wool was 76.7 percent of total purchases in 1943, 88.8 percent in 1944, 75.2 percent in 1945 and 81.8 percent in 1946. 3/ Less than .05 percent.

Based on handlers reports to the Livestock Branch, P.M.A.

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Table 8. - Commodity Credit Corporation purchase and selling prices for graded territory wool, clean basis Boston, 1943-47

| Period | Fine (64s and finer) Staple Combing Purchase | Fine (64s and finer) Staple Combing Sale | Fine (64s and finer) Clothing Purchase | Fine (64s and finer) Clothing Sale | 1/2 Blood (58s, 60s) French Combing Purchase | 1/2 Blood (58s, 60s) French Combing Sale | 3/8 Blood (56s-58s) Combing Purchase | 3/8 Blood (56s-58s) Combing Sale | 1/4 Blood (48s, 50s) Combing Purchase | 1/4 Blood (48s, 50s) Combing Sale |
|---|---|---|---|---|---|---|---|---|---|---|
| | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. | Dol. |
| Apr. 25, 1943-Nov. 26, 1945 | 1.19 | 1.19 | 1.10 | 1.10 | 1.09 | 1.09 | 1.04 | 1.04 | .95 | .95 |
| Nov. 27, 1945-Feb. 20, 1946 1/ | 1.19 | 1.04 | 1.11 | .92 | 1.09 | .98 | 1.04 | .92 | .95 | .90 |
| Feb. 21, 1946-Aug. 4, 1946 1/ | 1.19 | 1.00 | 1.11 | .88 | 1.09 | .94 | 1.04 | .88 | .95 | .86 |
| Aug. 5-Oct. 13, 1946 | 1.19 | 1.00 | 1.11 | .88 | 1.09 | .94 | 1.04 | .88 | .95 | .86 |
| Oct. 14-Nov. 10, 1946 | 1.19 | 1.06 | 1.11 | .92 | 1.09 | .97 | 1.04 | .96 | .95 | .90 |
| Nov. 11-Nov. 29, 1946 | 1.19 | 1.12 | 1.11 | .97 | 1.09 | 1.02 | 1.04 | 1.00 | .95 | .95 |
| Nov. 30-Dec. 30, 1946 | 1.19 | 1.14 | 1.11 | 1.00 | 1.09 | 1.02 | 1.04 | 1.02 | .95 | .96 |
| Dec. 31, 1946-Jan. 29, 1947 | 1.19 | 1.16 | 1.11 | 1.00 | 1.09 | 1.08 | 1.04 | 1.04 | .95 | .97 |
| Jan. 30-Feb. 28, 1947 | 1.19 | 1.16 | 1.11 | 1.01 | 1.09 | 1.08 | 1.04 | 1.04 | .95 | .98 |
| Mar. 1-Mar. 28, 1947 | 1.19 | 1.20 | 1.11 | 1.04 | 1.09 | 1.12 | 1.04 | 1.08 | .95 | 1.01 |
| Mar. 29-Aug. 5, 1947 | 1.20 | 1.22 | 1.13 | 1.06 | 1.15 | 1.15 | 1.06 | 1.10 | .98 | 1.04 |
| Aug. 6-Oct. 24, 1947 2/ | 1.26 | 1.22 | 1.12 | 1.09 | 1.20 | 1.11 | 1.10 | 1.08 | 1.03 | 1.02 |
| Oct. 25, 1947 3/ | 1.28 | 1.26 | 1.12 | 1.04 | 1.20 | 1.15 | 1.12 | 1.01 | 1.04 | .94 |

1/ During this period wool from the 1943 purchase was sold at a discount of 2 to 3 cents a pound clean basis from prices for 1944, 1945, and 1946 wools.
2/ Purchase prices are for the 1947 program which became effective August 15.
3/ Wools from the 1943, 1944, and 1945 purchase are sold at a discount of 3 cents per clean pound from sales prices for 1946 and 1947 wool.
Compiled from Weekly Review of the Boston Wool Market, Livestock Branch, PMA.
Prices are averages of ranges.